

## **Exhibit A**

Ted,

Here is the summary of the update of our efforts to license with the State DHS.

August 14, 2017

Dear Mr. McBride,

I wanted to provide you and your firm with an update on our efforts to license the sober living homes with the Utah State Division of Licensing. For ease of reference, I will put out actions and accomplishments in numeric bullet form for review.

1. March 2017 – Allen Andersen with Smart Sober Living (Hereinafter “SSL”) submitted official DHS applications to the State of Utah Department of Human Services, Division of Licensing (Hereinafter “DHS”).
2. March 2017 – SSL submitted DHS variance request forms requesting certain reasonable accommodations for the sober living homes requesting that certain DHS rules be waived in order for the State to comply with the Federal Fair Housing Act. (NO OFFICIAL ANSWER, RULING OR DECISION HAS BEEN PROVIDED BY DHS TO SSL).
3. On April 10, 2017 – DHS Licensing Intake Agent “David Dinger” assigned to help us license our Sober Living homes.
4. On April 10, 2017 – DHS notified SSL that its homes must comply DHS Core Rules found in R501-2, and further requested SSL to produce a policy and procedure manual outlining how it will comply with Core Rules (R501-2).
5. April 10 through July 2017, SSL commenced making its home compliant with DHS Core Rules which included significant construction work and additional expense to the homes.
6. On May 12, 2017 – SSL resubmitted official DHS “initial applications” for all of its sober living homes both in operation as well as homes not yet operating.
7. From May through June – SSL submitted supporting documents to DHS including policies and procedures manual, House Rules and Guidelines, program resource guides, intake and screening applications, etc.
8. On May 23, 2017 DHS sent SSL a “DHS Recovery Residence Checklist” and DHS had changed their position on SSL being required to comply with DHS Core Rules which were much more rigorous to comply

with and mostly irrelevant “red tape” requirements more suitable for a small hospital or treatment center. Although SSL had already spent tremendous costs, time, and human resources trying to comply with the DHS “Core Rules” compliance to the regulations were deemed irrelevant by DHS.

9. On May 25, 2017 SSL sent DHS professional detailed floorplans of most of the sober homes in operation. SSL has continually provided additional floor plans for all the operating sober homes.

10. A week later, there was some confusion as to what applications and supporting documents had been provided, and Mr. Andersen asked DHS Licenser David Dinger to meet in person and swap documents in question and to finalize what documents were still needed. Braden and Allen Andersen met with David Dinger at DHS offices on July 14, 2017 and provided the documents and files in question, and discussed the final steps and documents needed. Most of which are documents that are needed from the municipalities, and because of a recent change in the laws in May, background check and fingerprint of SSL officers was also needed.

11. As of August 18, 2017, the DHS background check form needs to be resubmitted with official fingerprint forms from law enforcement, which will be completed and mailed on August 15, 2017.

12. To the best of our knowledge, the remainder of the approvals and documents must be obtained from the municipalities. SSL has been advised by U.S. HUD that the approvals and documents needed from the municipalities are not necessary, however, SSL is still attempting to receive municipal approval.

Thanks,  
Allen Andersen